



Rewa Solar Project

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Why in News

Recently, the Prime Minister has inaugurated the 750 MW (Mega Watt) **solar** project set up in **Rewa, Madhya Pradesh**.

It is in line with India's commitment to attain the target of **175 GW of installed renewable energy** capacity by 2022 including 100 GW of solar installed capacity.

Key Points

- **Features:**
 - It is **Asia's largest solar power project**.
 - It comprises **three solar generating units of 250 MW** each located on a 500 hectare of land situated inside a **solar park** (total area 1500 hectare).
 - **Solar Park:**
 - It was developed by the **Rewa Ultra Mega Solar Limited (RUMSL)**, a Joint Venture Company of Madhya Pradesh UrjaVikas Nigam Limited (MPUVN), and **Solar Energy Corporation of India (SECI)**, a Central Public Sector Undertaking.
 - Central Financial Assistance of Rs. 138 crore was provided to the RUMSL for development of the Park.

- **Significance:**

- **Grid Parity Barrier:** It is the **first solar project** in the country to break the grid parity barrier.
 - **Grid parity** occurs when an alternative energy source can generate power at a cost of electricity that is less than or equal to the price of power from the electricity grid.
 - Further, compared to prevailing solar project tariffs of approx. Rs. 4.50/unit in early 2017, it achieved a first year tariff of Rs. 2.97/unit with a tariff escalation of Rs. 0.05/unit over 15 years.
- **Risk Reduction:** Its **payment security mechanism for reducing risks** to power developers has been recommended as a model to other states by the Ministry of New and Renewable Energy.
- **Renewable Energy Project:** It is the **first renewable energy project** to supply an institutional customer outside the state, i.e. Delhi Metro, which will get 24% of energy from the project with the remaining 76% being supplied to the state **DISCOMs** of Madhya Pradesh.
 - It is also **India's first solar project to get funding** from Clean Technology Fund (CTF), which is available at a rate of 0.25% for a 40-year period from the **World Bank**.
 - The **CTF** promotes scaled-up financing for demonstration, deployment and transfer of **low carbon technologies** with a significant potential for long-term greenhouse gas emissions savings.
- **Carbon Emission Reduction:** It will help in **reducing the carbon emission** equivalent to 15 lakh ton of CO₂ per year.
- **Global Appreciation:** It has also received the **World Bank Group President's Award** for innovation and excellence and was included in the book 'A Book of Innovation: New Beginnings'.

Source: PIB